

## Message Text

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43

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 DODE-00 NSAE-00 RSC-01 TRSE-00

AEC-05 CIAE-00 COME-00 EA-06 ACDA-05 SAJ-01 AID-05

OES-03 MC-01 /047 W

----- 024589

R 241154Z DEC 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC 8772

INFO USMISSION OECD PARIS

C O N F I D E N T I A L ROME 17671

E.O. 11652: GDS

TAGS: ESTC, COCOM, IT, CH

SUBJECT: ITALY COCOM EXCEPTION REQUEST: MILLING AND BORING MACHINES  
TO CHINA

REF: ROME 17633 AND PREVIOUS

1. MFA DIRECTOR GENERAL FOR ECONOMIC AFFAIRS (GUAZZARONI) CALLED  
IN ECON-COMML MINISTER AFTERNOON DEC 23 AND REITERATED POINTS  
MADE IN REFTELS.

2. GUAZZARONI EMPHASIZED FOLLOWING POINTS:

(A) MACHINES COULD BE USED IN NUCLEAR REACTOR FIELD ONLY  
WITH ADDITION OF NUMERICAL CONTROL DEVICE AND COOPERATION  
OF MANUFACTURING FIRMS, WHICH OF COURSE NOT AVAILABLE TO  
CHINA. ALL OTHER COCOM COUNTRIES BESIDES US ARE IN AGREEMENT  
WITH THIS.

(B) A REFUSAL ON PART OF GOI OF EXPORT LICENSE TO SANEUSTACCHIO  
COULD LEAD TO UNFAVORABLE DOMESTIC REPERCUSSIONS IN PARLIAMENT  
AND THE PRESS SINCE IT WOULD APPEAR AS AN UNJUSTIFIED ARBITRARY  
DECISION.

(C) SHOULD THE GOI NOT BE ABLE TO EXPORT MACHINES TO CHINA,  
CHINESE AUTHORITIES COULD INTERPRET THIS AS A NEGATIVE ATTITUDE  
ON ITALY'S PART. AMBASSADOR GUAZZARONI BELIEVES THIS COULD  
JEOPARDIZE CERTAIN OTHER TRADE POSSIBILITIES CONTEMPLATED

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BETWEEN ITALY AND CHINA.

(D) IF THE APPROPRIATE USG AUTHORITIES CANNOT RECOMMEND APPROVAL, AMBASSADOR GUAZZARONI SUGGESTED THAT THE USG NEVERTHELESS APPROVE THE TRANSACTION IN VIEW OF THE DAMAGE WHICH A DENIAL WOULD CAUSE TO ITALY'S ALREADY DIFFICULT ECONOMIC SITUATION.

2. ECON-COMML MINISTER REPLIED THAT EMBASSY, WHILE UNABLE EVALUATE TECHNOLOGICAL ASPECTS OF THIS CASE, SYMPATHISES WITH ITALIAN POSITION WHICH IS BEING REPORTED FULLY TO WASHINGTON.  
VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXCEPTIONS LIST, EXPORT LICENSES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974ROME17671  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740374-0197  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 74 ROME 17633  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 25 MAR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** WITHDRAWN <07 MAY 2002 by boyleja, 3.4.X9>; RELEASED <25 MAR 2003 by ShawDG>; APPROVED <25 MAR 2003 by ShawDG>  
**Review Markings:**

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30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITALY COCOM EXCEPTION REQUEST: MILLING AND BORING MACHINES TO CHINA  
**TAGS:** ESTC, PFOR, ETRD, IT, CH, COCOM, (GUAZZARONI)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005